

## **Sales Tax Information Bulletin #30**

**June 1995**

(replaces bulletin #30, dated April 4, 1983)

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**Subject:** ENTERTAINMENT PRODUCTS

**References:** IC 6-2.5-4-10; 45 IAC 2.2-4-27; 45 IAC 2.2-4-28; 45 IAC 2.2-4-29

### **Introduction**

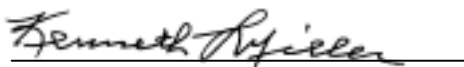
Generally, a person is considered a retail merchant when selling, renting, or leasing entertainment products. Entertainment products include motion picture film, audio tape, video tape, videos, video cassette recorders, video game machines, video game cartridges, compact discs, and stereo equipment. A person who sells, rents, or leases entertainment products must register with the Department as a retail merchant and collect and remit Indiana gross retail tax on all subject transactions.

### **Sale and Rental of Entertainment Products**

The sale of motion picture film, audio tape, video tape, and similar products is subject to sales tax, regardless whether the product is used for public or private viewing. Likewise, the rental or leasing of entertainment products to a person not engaged in the movie theater or broadcast industry is subject to sales tax, regardless whether the person imposes a "cover charge" to view the film. The rental or leasing of motion picture film, audio tape, video tape, or similar products to a person who is regularly and ordinarily engaged in the business of broadcasting films or tapes to the general public for admission or for home use viewing or listening is not subject to tax.

### **Late Fees**

Late fees assessed per day on the late return of entertainment products such as videos and video games are subject to sales tax.



Kenneth L. Miller  
Commissioner